

COLORADO DEPARTMENT OF AGRICULTURE
State Board of Stock Inspection Commissioners

8 CCR 1205-6

STATE BOARD OF STOCK INSPECTION FEES

1. Applicability

The provisions of this rule shall apply to all inspection services as allowed by statute and conducted by the authorized inspectors of the State Board of Stock Inspection Commissioners (Brand Board) and for the assessment of all recorded brands in the State of Colorado.

2. Definitions

- 2.1 "Brand assessment" means a fee for every brand recorded in the office of the Brand Board to cover a five-year period.
- 2.2 "Cancelled brand" means any recorded brand that assessment fees have not been paid for in a three and one-half year period.
- 2.3 "Cattle" means all cattle and calves.
- 2.4 "Feedlot" means a lot, pen enclosure or building where cattle are fed for warm-up or fattening purposes and which is secured by gates to prevent the livestock from movement to adjoining areas outside of the feedlot.
- 2.5 "Hide" or "fallen hide" means the skin from livestock.
- 2.6 "Horses" means all horses, mules, donkeys and burros.
- 2.7 "Livestock" means all cattle, calves, horses, mules, donkeys and burros. Sheep may be treated as livestock for purpose of this rule at the request of the owner thereof.
- 2.8 "Public livestock market" or "licensed market" means any place, establishment or facility commonly known as a livestock market, conducted or operated for compensation or profit licensed in the state of Colorado, where brand inspection is normally maintained.
- 2.9 "Recorded brand" is property which shall be subject to sale, assignment, transfer, devise, and descent, as personal property.

3. Inspection Fees – Cattle

- 3.1 The minimum fee for all cattle inspections except cattle shipped from a feedlot directly to slaughter shall be \$20.00 per stop and shall be due and payable to the inspector when the

inspector arrives at the designated inspection point, whether or not an inspection of the livestock actually takes place.

- 3.2 The inspection fee for all cattle shipped from a feedlot directly to slaughter shall be the greater of a minimum inspection fee of \$15.00 or the per head inspection fee set forth in sections 3.4 and 3.5 of this rule.
- 3.3 The per head inspection fee for country cattle (cattle not shipped from a feedlot directly to slaughter) shall be \$.65.
- 3.4 The per head inspection fee for cattle located in a feedlot shipped directly to slaughter shall be \$.63 for 1-500 head.
- 3.5 The per head inspection fee for cattle located in a feedlot shipped directly to slaughter shall be \$.60 for 501 and greater head on one inspection certificate.
- 3.6 The per head inspection fee for cattle located in a certified feedlot shipping directly to slaughter at a USDA licensed slaughter facility shall be \$.48.
- 3.7 The per head inspection fee for cattle consigned to licensed markets shall be \$.65.
- 3.8 The inspection fee for cattle hides/fallen hides shall be \$.25 per hide.
- 3.9 The fee for an annual travel permit issued for show cattle shall be \$20.00 per head.
- 3.10 The fee for an annual travel permit issued for rodeo cattle shall be \$3.00 per head.
- 3.11 The fee for a dairy/feedlot calf permit shall be \$50.00 per year.

4. Inspection Fees – Horses

- 4.1 The minimum inspection fee for all horse inspections shall be \$35.00 per owner and shall be due and payable to the inspector when the inspector arrives at the designated inspection point, whether or not an inspection of the livestock actually takes place.
- 4.2 The per head inspection fee for horses not consigned to licensed markets shall be \$2.00.
- 4.3 The per head inspection fee for horses consigned to licensed markets shall be \$3.00.
- 4.4 The fee for a horse permanent travel card shall be \$35.00 per horse.

5. Inspection Fees – Sheep

- 5.1 The minimum fee for sheep inspections shall be \$15.00 per stop and shall be due and payable to the inspector when the inspector arrives at the designated inspection point, whether or not an inspection of the livestock actually takes place.
- 5.2 The per head inspection fee for sheep shall be \$.40.

6. Licenses/Permits

- 6.1 The fee for an annual public livestock market license shall be \$200.00.
- 6.2 The fee for an annual certified feedlot license/permit shall be \$1,000.00.
- 6.3 The fee for a brand inspection waiver permit shall be \$100.00 (waiver is good for two calendar years).

7. Brand Registration/Estrays

- 7.1 The brand initiation/application fee shall be \$200.00, which fee shall be non-refundable.
- 7.2 The fee for recording brand transfers shall be \$100.00.
- 7.3 The fee for leasing a brand shall be \$100.00.
- 7.4 The estray administration fee shall be \$20.00 per head.
- 7.5 The estray advertisement fee shall be \$20.00 per head.

8. Brand Assessment Fees

Except as set forth in section 8.6 of this rule below, the provisions of this section 8 shall be applicable to brand assessment fees for the five-year brand registration period from January 1, 2017 through December 31, 2021 and every 5-year period thereafter. The assessment fees shall be deposited into the brand assessment account.

- 8.1 The five-year brand assessment fee shall be \$300.00 per brand.
- 8.2 The five-year assessment fee is due and payable in full by January 1 of the beginning of the five-year period for any brand recorded as of that date.
- 8.3 Any new brand recorded after January 1 of the first year of a five-year brand assessment period is prorated to \$60.00 per year for the remainder of the five-year assessment period for each brand.
- 8.4 The prorated fee is due and payable in full when the brand is recorded.
- 8.5 Late fees shall be assessed according to the schedule below. All late fees shall be credited to the brand inspection fund.
 - 8.5.1 The late fee for any brand assessment paid six months after the assessment is due shall be \$25.00.
 - 8.5.2 The late fee for any brand assessment paid one year after the assessment is due shall be \$50.00.

- 8.5.3 The late fee for any brand assessment paid two years after the assessment is due shall be \$75.00.
- 8.5.4 The late fee for any brand assessment paid three years after the assessment is due shall be \$100.00.
- 8.6 Any cancelled brand that is reinstated shall be charged a late fee in addition to the delinquent assessments due at the time of reinstatement, together with a \$200.00 application fee. The late fee portion of the payment shall be credited to the brand inspection fund. The late fee for any brand cancelled as of January 1, 2015 shall be \$200 plus the fees set forth in section 8.5 of this rule. The late fee for any brand cancelled during the five-year assessment period beginning January 1, 2012 shall be \$100.00 plus the fees set forth in section 8.5 of this rule. The late fee for any brand cancelled during the five-year assessment period beginning January 1, 2017 and thereafter shall be as set forth in section 8.5 of this rule.

Sections 9 through 20 are reserved

21. Statement of Basis, Specific Statutory Authority and Purpose

21.1 Adopted December 9, 2004 - Effective February 1, 2005

21.1.1 **Basis:** This rule is proposed by the State Board of Stock Inspection Commissioners (the Board), division of the Colorado Department of Agriculture and an enterprise for purposes of Section 20 of Article X of the State Constitution, to maintain the essential services provided by the Board and authorized brand inspectors. The fee increases are reasonably related to the goal of providing essential services.

21.1.2 **Specific Statutory Authority:** This regulation is adopted pursuant to the Board's fee-setting authority set forth in Sections 35-41-104, 35-43-115, 35-53-129, 35-53-115, 35-53-101, 35-43-105, 24-72-203(1)(a), 35-43-109, 35-44-106, 35-53-130, 35-53-103, 35-53.5-106, 35-55-103, and 38-20-207, C.R.S. (2004) and is intended to be consistent with the requirements of the State Administrative Procedures Act, Section 24-4-101 et seq. (the "APA"), C.R.S. (2004).

21.1.3 **Purpose:** The purpose of this regulation proposed by the Board is to adopt by rule the schedule of fees to be assessed for service rendered by the Board and its authorized brand inspectors beginning February 1, 2005 and thereafter.

House Bill 04-1351, enacted by the General Assembly, gives the Board authority to set fees for its services by rule. The law specifies timeframes that the board must allow when considering fee changes, in order to give as much notice as possible to affected parties. In this vein, the board and/or its representatives met with constituents within the livestock community on July 1, 2004, when the Board met to discuss current and anticipated financial issues. The Board met again July 19, 2004, with the livestock industry and presented its draft fee proposal. On August 23, 2004, the Board announced that it would proceed with a formal fee proposal at its next regular meeting. Having duly provided public notice of its intent to do so, the Board approved the proposed fee increase schedule on September 22, 2004. At that public meeting, the Board then authorized staff

to proceed with filing notice of its intent to pursue rulemaking on the fee schedule under the APA.

By February 1, 2005, the Board will have complied with all public notice requirements by:

(1) Having publicly noticed its intent to approve the fee schedule in its regularly scheduled meeting on September 22, 2004, pursuant to Section 35-41-104(a-c); and

(2) Having issued public notice of the rulemaking hearing pursuant to the APA during which additional public testimony will be taken on the Board's intent to adopt the fee schedule by rule.

The Board thoroughly examined its anticipated funding needs and considered a variety of options to meet the needs. This is the first significant fee increase since approximately 1998. Department staff gathered extensive financial data on the Board's costs and revenues and utilized linear regression analysis to determine options. A copy of the linear regression analysis is available to the public by contacting the Colorado Department of Agriculture at 303.239.4100. The Board decided to propose a fee schedule that increases most fees it charges while leaving others at the rate that existed prior to Board approval of the proposed fee schedule.

21.2 Adopted August 9, 2006 – Effective October 2, 2006

21.2.1 Basis: These revisions are proposed by the State Board of Stock Inspection Commissioners (the Board) to change the fee structure intended to revise and disencumber the brand records of unused brands and to provide revenues to publish new brand books and otherwise assist in the operational cost of the division of brand inspection.

21.2.2 Specific Statutory Authority: These revisions are adopted pursuant to the State Board of Stock Commissioner's authority to set brand assessment fees set forth in 35-43-115 C.R.S. (2005).

21.2.3 Purpose: The purpose of these rule revisions is to increase the current fee for the assessment of brands, to adopt a schedule for late fees related to unpaid assessments, and to set fees for the reinstatement of cancelled brands.

21.3 Adopted September 14, 2011 – Effective October 30, 2011

21.3.1 Basis: These revisions are proposed by the State Board of Stock Inspection Commissioners (the Board) to change the fee structure for brand assessments, which fee is used to revise and disencumber the brand records of unused brands, to provide revenues to publish new brand books, and otherwise to assist with the operational cost of the Division of Brand Inspection. Additionally, the rules introduce an application fee for anyone who is seeking to reinstate a canceled brand. Finally, the revisions remove out-dated language from the rules.

21.3.2 Specific Statutory Authority: These revisions are adopted pursuant to the State Board of Stock Inspection Commissioner's authority to set brand assessment fees set forth at § 35-43-115, C.R.S.

21.3.3 Purpose: The purpose of these rule revisions is to increase the current fee for the assessment of brands, to strike out-dated language from the rules, and to harmonize the application fee for new brands with those for canceled brands seeking reinstatement.

21.4 Adopted October 15, 2014 – Effective January 1, 2015

21.4.1 Basis: This rule is proposed by the State Board of Stock Inspection Commissioners (the "Board") to maintain the essential services provided by the Board and authorized brand inspectors. The fee increases are reasonably related to the goal of providing essential services to the constituents the Brand board and its inspectors serve.

21.4.2 Specific Statutory Authority: This rule is proposed for adoption pursuant to the Board's various fee-setting authorities, as set forth in §§ 35-41-104, 35-43-105, 35-43-109, 35-43-115, 35-43-129, 35-43-130, 35-44-106, 35-53-101, 35-53-105, 35-53-115, 35-53-129, 35-53-130, 35-53-133, 35-53.5-106 and 107, 35-55-103, and 38-20-207, C.R.S.

2.14.3 Purpose: The Board's sole funding source to support all that it is required to do is the fee system provided in the Board's enabling statutes, including per-head inspection fees. As a result of a drought in Colorado, the number of livestock that require inspection has dropped significantly over the last few years, with no projected increase in the immediate future. The Board's revenue stream has been and will continue to be affected by this. Thus, the Board recognized the need to re-visit the entire fee structure to change the fees to reflect how the livestock industries are evolving in Colorado and how those changes are affecting the Board's revenues and its ability to discharge its statutory and regulatory duties. The Board's staff compared a variety of funding and fee options and determined that the ones proposed in this rule-making are the most efficient, practical, and equitable for the industry as a whole.

These revisions incorporate changes as a result of the Department's Regulatory Efficiency Review Process conducted in accordance with the Governor's Executive Order D 2012-002.